DOCUMENT RESUME

ED 297 170 CE 050 691

TITLE	Workforce Reduction Committees. A Labor/Management Approach.
INSTITUTION	Department of Labor, Washington, D.C.; National Alliance of Business, Inc., Washington, D.C.; Vermont State Dept. of Employment and Training, Montpelier.
REPORT NO	ISBN-0-88713-813-6
PUB DATE	88
NOTE	26p.
AVAILABLE FROM	National Alliance of Business Clearinghouse, 1015 15th Street, NW, Washington, DC 20005 ($5.00; 25 or more: $3.50 each).
PUB TYPE	Guides - Non-Classroom Use (055)
EDRS PRICE	MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS	Adult Education; *Committees; *Dislocated Workers; Dismissal (Personnel); Employer Employee Relationship; Job Placement; Labor Relations; *Outplacement Services (Employment); Participative Decision Making; Personnel Policy; *Reduction in Force; Unemployment

ABSTRACT

This resource guide outlines the labor/management approach supported in the new legislation regarding worker dislocation and training. It provides companies and unions with the initial information necessary to establish a labor/management committee. Section 1 discusses the benefits to employees and employers of establishing a work force reduction committee in advance of worker layoffs. Section 2 focuses on the financial resources available to support the work of the committees and dislocated worker assistance services. They include federal/state funds, employer/union contractual funds, and funds for training and reemployment services that have been earmarked by many companies experiencing major reorganization. Section 3 presents a series of steps in a typical sequence for formation of a committee. It recommends the accomplishment of several steps during each meeting, so that the entire process can be completed in three or four short meetings. Section 4 outlines the essential elements of a committee and the specific duties (roles and responsibilities) of the chair and members. The final section addresses the first steps in developing a program plan and identifying services. A resource and contact list is appended. (YLB)

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THE TAFT GROUP AND THE NATIONAL ALLIANCE OF BUSINESS

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TRN/088/2.5
ISBN #0-88713-813-6

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Acknowledgements

The Workforce Reduction Committees, A Labor-Management Approach: project was conceived and coordinated by Ted Buck, Senior Associate, the National Alliance of Business (NAB) and Dave Tucker, Coordinator, Dislocated Worker Program from Vermont.

Funding for the guide's development and printing was provided by the U.S. Department of Labor - Region 1, the state of Vermont, and the National Alliance of Business. In addition, the states of Vermont, Michigan, New Jersey, and Maryland as well as the National Alliance of Business, provided valuable information and staff time for this project.

This guide is the result of several individual's ideas and reflects the experience of successful Workforce Reduction Committees. The information contained within this guide was developed by a work group consisting of: Ted Buck; Dave Tucker; Mike Landmesser, union committee member from New Jersey; Jack McMullen, committee Chair, Cumberland, Maryland; and Dick Baker, Adjustment Consultant from Michigan. Alex Robinson, Research Assistant, NAB, and Nick Lewis, Bureau of Labor - Management Relations and Cooperative Programs (BLMRCP) DOL, also participated in some of the work sessions. Eugene Beaulieu, former company committee member from Ore-Ida in Michigan, provided information on his experience. Materials from the State of Michigan were used to develop the organizational overview and flow charts.

Valuable insights and comments on the publication were provided by Iles Minoff, Human Resource Development Institute, AFL/CIO; Bill Batt, BLMRCP; and Lois Morris, NAB.

Introduction

The closure of a plant or a mass lay-off is a traumatic event. The employees, the employer, and the community are all affected. However, this crisis creates an opportunity to establish new working relationships based on mutual concerns and common goals.

Experience demonstrates the positive effects of employer and employee representatives working together in the planning and oversight of reemployment services. Cooperation can be achieved by the formation of a labor/management Committee. Advance notice of a plant closing enhances the Committee's effectiveness and helps the workers transition to new jobs. There are hundreds of examples of successful transition programs that combine advance notice and a labor/management committee to meet the needs of the workers, the company, and the community.

Legislation enacted in the Summer of 1988 regarding worker dislocation and training strongly supports labor/management committees. Although the legislation will not be implemented until mid 1989, consideration should be given to develop the capacity to establish Workforce Reduction Committees. This Resource Guide outlines the approach supported in the new legislation. It provides companies and unions with the initial information necessary to establish a labor/management committee. The guide is not intended to be an exhaustive technical assistance manual.

The approach outlined is based on a model that has been used effectively for over twenty-five years by the Industrial Adjustment Service of Canada. It encourages using existing employment and training organizations to deliver the necessary services. However, there are committees that hire staff to operate programs and deliver services. This type of committee does not necessarily use existing service providers, and therefore, their mission and responsibilities are broader and more complex. Information about this option can be obtained through the resources identified in this guide.

The Committee, as outlined, consists of a neutral chair and equal representation from the employees and the employer. Their role is to develop, in cooperation with the state/local employment and public/private training service providers, a program that will provide reemployment services for the workers who are losing their jobs. The Committee also acts as the focal point for communication and services. Workers' acceptance of an assistance program can be greatly increased by seeing their co-workers involved in program development. This approach requires a commitment from those involved, open communications, and a skilled Chair.

Throughout the guide, the term state/Labor representative is used in reference to outside technical assistance and information. This term is used to indicate that the technical assistance and support available varies

depending on the state resources. The state government representative is often a staff member of the Job Training Partnership Act (JTPA) program and the Labor representative is usually associated with the state AFL/CIO organization. Unions and companies interested in establishing a Committee should contact both the State government and the state AFL/CIO to inquire about the availability of resources and assistance. The State government and AFL/CIO can work as a team to provide information and technical assistance to Committees, as is the case in Idaho and Colorado. A Resources and Contacts section listing additional information is included at the end of the Guide.

Ted Buck
Senior Associate
National Alliance of Business

Benefits to Employees and Employers

The Committee's purpose is to develop a comprehensive plan, using the existing employment and training resources for a program that provides services to the workers. The company, union, workers, and the community all benefit by pooling resources and working cooperatively to plan the program carefully and use the best available resources. This high level of cooperation combined with advanced notice minimizes the traumatic effects of worker dislocation.

The primary benefits of establishing a Committee in advance of worker layoffs and a well-planned program include:

Earlier Reemployment

Forming a Committee and focusing attention and services on the workers, will get reemployment activities started more quickly, thus enabling workers to take advantage of job openings as they occur. This can result in greater access to higher paying jobs.

Workers Helping Workers

Involving workers in planning transition services helps build acceptance of the program. The Committee members can also provide opportunities for the workers to discuss their personal situations confidentially.

Coordination of Services

The Committee coordinates resources and activities to ensure that the right services are available. An already stressful situation is reduced because the workers do not receive confusing and conflicting information about services and activities.

Increased Motivation

Workers who become motivated are more likely to participate in the program when they see that the company and their fellow employees/unions are working together to help them find new jobs or training opportunities.

Productivity and Morale

Experience shows that high absenteeism and decreases in productivity are avoided when the company and workers participate cooperatively in a transition assistance program that starts well in advance of worker layoff. As an additional benefit, the company's willingness to help terminated employees has a direct bearing on the morale of the remaining workforce.

Positive Labor-Management Relations

Working together to solve problems in a positive way reduces labor/management tension. Involvement of the affected union also helps build worker acceptance of the program.

A communication plan that includes structured, organized information about company plans, assistance efforts, and benefit packages, reduces the disruptive effects of misunderstandings and rumors.

Positive Community Impact

The drama of major layoffs and plant closings always attracts public attention. The way in which these events are handled will determine if the attention reflects positively or negatively on the company. A communication plan that includes structured, organized information about company plans, assistance efforts, and benefit packages, reduces the disruptive effects of misunderstandings and rumors. These efforts will result in a more positive public image for the company and union.

More Effective Use of Benefits

Companies frequently offer severance benefit packages, and collective bargaining agreements often include training and adjustment funds. Training benefits produce far greater results when workers are given the time, encouragement, and professional guidance to make informed decisions. If company/union funds do exist, they should be combined with the available state funds to create a comprehensive, flexible program.

Although there is not sufficient research data available, many companies that use this approach report significant savings in both unemployment insurance costs and worker compensation claims.

Committees and employee transition programs are not expensive. A cost of several hundred dollars per worker is typical, and the savings cited earlier can more than offset the program cost. Furthermore, most service and training costs can be funded by federal, state and local resources. Title III of the federal Job Training Partnership Act (JTPA) supports employee training, job placement, career planning, counseling, skill testing and assessment, relocation assistance, and other services. A well-organized transition program with company and union involvement can more effectively use these resources.

Resources Available

The financial resources to support the work of Committees and dislocated worker assistance services are federal/state funds and employer/union contractual funds. In addition, funds for training and reemployment services have been earmarked by many companies experiencing major reorganization.

Once formed, a Committee can take advantage of these resources, and it can work with the employment and training system and the community to plan a reduction in force that will be handled in a smooth and responsible manner.

A number of organizations administer the federal and state funds through a wide variety of service delivery systems primarily controlled locally or regionally.

The system for providing dislocated worker services involves a combination of federal and state programs in employment and training, unemployment insurance, and related human services. Also, many other organizations, such as community colleges, Labor organizations, vocational education facilities, and community based organizations, provide services to dislocated workers.

The Job Training Partnership Act (JTPA) is the core program for dislocated worker assistance. JTPA Title III provides federal funds to states for worker re-adjustment efforts, including training, job development, and job placement. Governors have broad authority over eligibility, program planning, administration, resource distribution, and provision of service. The JTPA is a decentralized system administered at a state level by 57 State Job Training Coordinating Councils (SJTCCs) and at the local level by over 600 Private Industry Councils (PICs). Depending on how the state structures its program, funds can be provided directly to companies, unions, private industry councils, city, and/or county governments. In some cases, the Committee receives the funds directly and assumes responsibility for administering and operating the program.

The U.S. Department of Labor distributes Title III funds to the states through a formula allocation and the Secretary of Labor's Discretionary Funds. Seventy-five percent of the funds are

distributed by a formula based on state unemployment data. The remaining twenty-five percent is distributed through the Discretionary Grant process whereby states apply for additional funds to meet the needs of a large plant closing and/or to assist the long-term unemployed.

In addition to the JTPA funds, over 40 states now designate general appropriation funds for related services in the areas of dislocated worker and training programs. Some states, for instance, California, Washington, and Delaware, have created training programs from a small percentage of the Unemployment Insurance funds that assist businesses in remaining competitive in the changing economy and provide training for individuals to avert permanent job loss. In general, these state funds are often used in conjunction with the JTPA funds. In most cases, however, the state funds require separate contractual relationships from JTPA contracts.

Several major companies and Labor unions have negotiated contracts that include training funds:

- General Motors-UAW established a training "nickel-dime" fund related to the number of employee work hours to finance training and reemployment

services for both dislocated workers and those who need additional training to retain their employment when faced with job change within their company.

- The United Auto Workers (UAW)-Ford Motor Company established the Employee Development and Training Program that provides training and developmental services for both active and dislocated workers.
- AT&T and its operating companies have negotiated agreements with the Communication Workers of America (CWA) and the International Brotherhood of Electrical Workers (IBEW) that create education and training opportunities for workers who lose their jobs.

Many states have government officials and/or Labor representatives who provide guidance and technical assistance to help establish Committees. Some states, such as Michigan, New Jersey, Maryland, Vermont, and Idaho have formal state structures and representatives whose primary function is to support this approach. In Colorado and Idaho, the AFL/CIO State Labor Federation assists in the planning and development of Committees. In Illinois, Michigan and Connecticut, the state Labor organization has technical assistance available for similar programs. Although the technical assistance will vary, it often includes:

- Promoting the Committee approach;
- Working with the employer and employee representatives to establish a Committee;
- Assisting in the selection of the Committee Chair;
- Providing guidance to the Chair in his/her role, briefing new appointees on standard requirements and reports;
- Providing assistance in state/federal proposal development;
- Assisting in the coordination of other government programs or services to ensure an effective adjustment program;
- Acting as the liaison in discussions or negotiations with local, state or federal agencies; and
- Attending all regular meetings and verifying all expenses.

Although outside assistance is important, the employees/employer must ultimately develop the Committee structure that works best in their situation.

The sources of information on how the Title III programs are administered in a particular area and the availability of technical assistance for a Committee consist of the following: the state JTPA administration, the local Private Industry Council, local or state Labor organizations, and/or the local Employment Service office.

Formation of the Committee

Forming the Committee involves a series of steps that results in establishing a group which coordinates the various state, local, and federal resources to provide the needed reemployment services for the employees. Whereas each plant closing or mass layoff has its own unique set of circumstances, the steps presented here suggest a typical sequence. Several steps can be accomplished during each meeting, and this entire process can be completed in three or four short meetings.

However, many of the steps can be accomplished during an initial meeting. If the appropriate management/Labor personnel are involved in the first meeting and the state/Labor representative has the authority to commit funds for the Committee, the group can sign the agreement and appoint the members during this meeting. In some cases, suggestions for a neutral chair can be made and the selection process can begin. This accelerated process can occur when management and Labor are familiar with cooperative programs and the state/Labor representative has experience and the authority to immediately commit funds to the Committee.

In most cases, federal legislation requires that workers receive a minimum of sixty days advance notice prior to a plant closing and/or major workforce reduction. When notice of a closing or reduction is received, the first step is to determine the time frame within which the Committee has to work. Although there are no definitive rules, a longer notice is desirable to allow time to organize the Committee, assess the needs of the workers, and arrange for delivery of services. However, this approach is an effective method to plan and coordinate worker reemployment efforts even with limited notice.

The next step is to convene a meeting or two with the state/Labor representative, management, and Labor leaders to discuss the methods and benefits of using a Committee approach. These meetings are necessary to establish open lines of communication and build trust between management and Labor. The results of these initial meetings are to define the overall purpose and specific objectives, estimate the potential costs, and develop a formal agreement. It is important that all parties agree that the Committee will not become involved in collective bargaining issues.

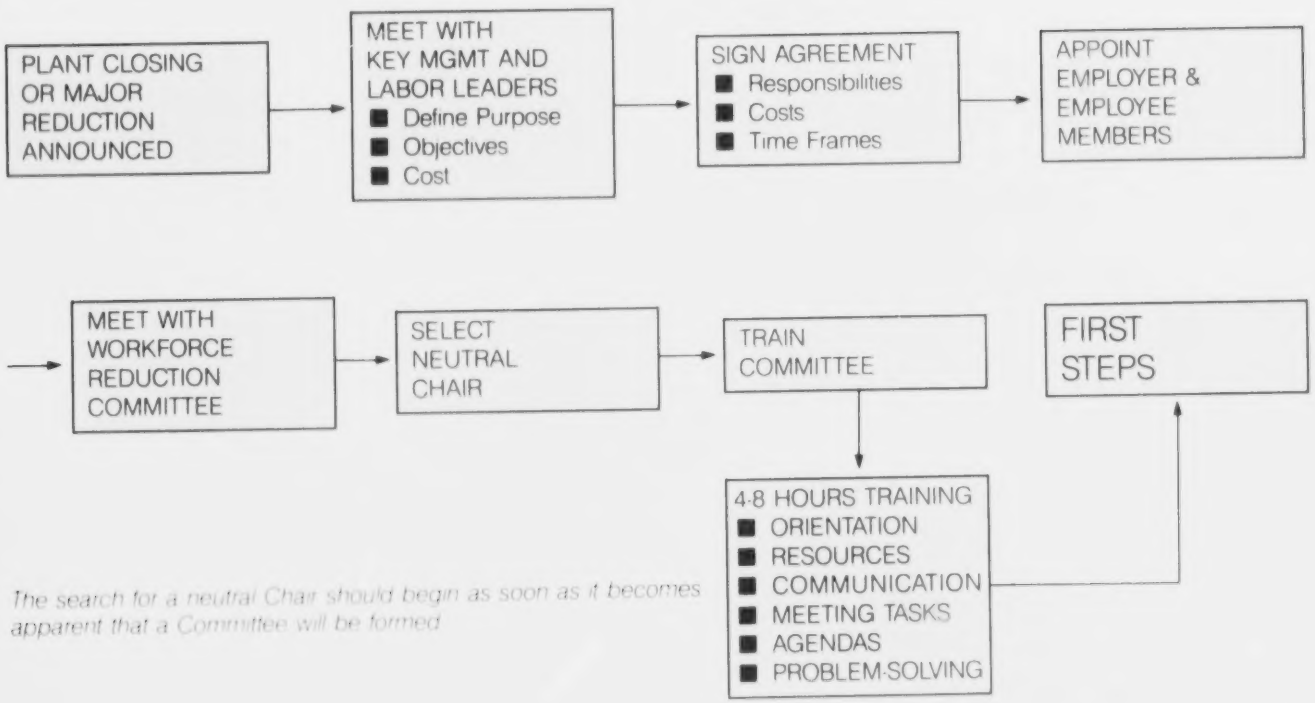
The Committee's primary purpose is to help the employees find new jobs. However, there may be additional objectives not readily apparent. Through discussion, the group will achieve consensus on its purpose and objectives, and this will help Labor and management set realistic guidelines.

When it becomes apparent that a Committee will be formed, management, Labor, and the state/Labor representative can develop a list of potential chairs. Thus, the Committee can review and add to the list during the first few meetings and begin the selection process.

As the objectives are established, the expenses of the Committee will become clear. Then management, Labor, and the Labor/state government representatives will determine how much money each group can contribute to the process. Companies and unions may contribute not only cash but in-kind services such as telephones, office space, photocopying, and clerical support. Because of the limited funds available from unions, the majority of the resources will probably be provided by the company and the state. Generally, Committee costs are split 50/50 between the company and the state. In addition, the state can provide personnel to assist in preparing Title III grant proposals and act as a liaison between the Committee and local/state programs.

Once Labor, management, and the state/Labor representative have determined the purpose and objectives of the Committee, as well as how the costs will be shared, a formal agreement between the parties should be developed and signed. This agreement, which carries no penalties for non-compliance, establishes and empowers the Committee.

Forming the Workforce Reduction Committee



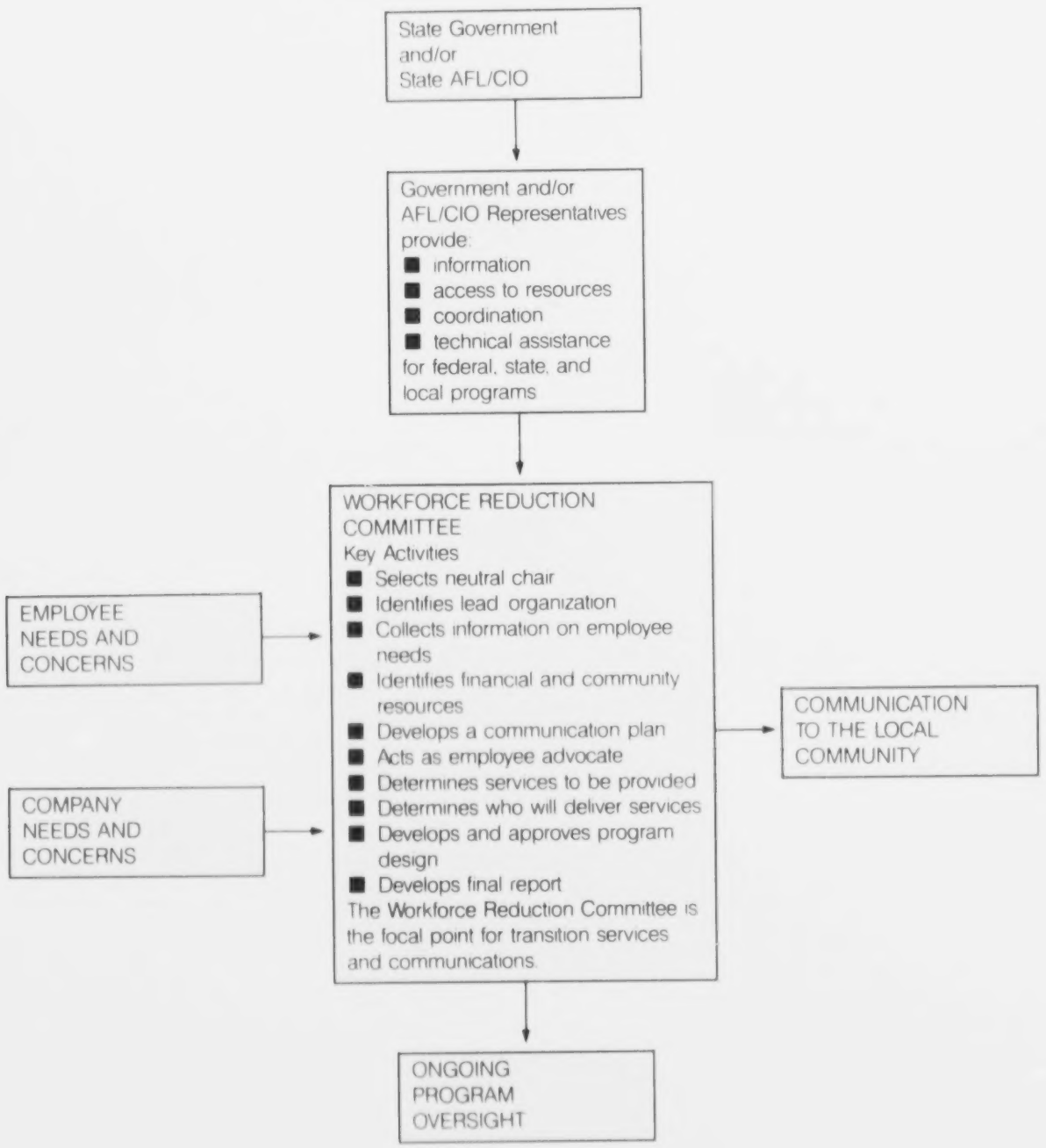
The search for a neutral Chair should begin as soon as it becomes apparent that a Committee will be formed.

Next, an equal number of employee/employer representatives are appointed, usually three from each group. The members should be committed to this approach and have the respect of their co-workers.

One of the first and most critical actions the Committee takes to ensure its success is to choose a neutral chair, someone perceived as neither pro-management nor pro-labor, who will provide balanced leadership. The chair should be respected within the community and understand the local labor market. If the Committee does not select its own chair, more time may be required to build the mutual trust necessary to function.

Once the selection of the members and the chair has been completed, it will be necessary to arrange for orientation and training sessions. The orientation and training includes information on the available services, problem-solving techniques, exploring various program designs, and developing successful strategies. The time spent on orientation and training will ultimately prove worthwhile, as the members will learn to work with each other and become familiar with the employment and training system and services. The chart to the right illustrates how the Committee relates to the employment and training system and the community.

How the Workforce Reduction Committee Fits In



Committee Roles and Responsibilities

Roles and responsibilities will vary depending on the complexity of the transition program, the administrative capability of the lead organization, and the decisions of the Committee. This section outlines the essential elements of a Committee and the specific duties of the chair and members.

The employer and employee representatives are equal partners. Together with the neutral chair, they share the responsibility of making this approach work. They are involved in the planning, design, and operation of the transition program. In addition, they have oversight responsibility for the entire effort.

Technical assistance and support for the Committee is provided by the state/labor representative who acts as a liaison between the Committee and local/state programs and services.

Also, because of the diversity of the governmental organizations that provide assistance and funding, the chair should require coordination among the service providers to ensure that the program takes full advantage of the opportunities offered by these organizations.

Committee effectiveness depends on its independence and integrity. Those involved must feel a strong sense of ownership for the program and demonstrate honesty. This commitment will help build trust and worker acceptance for the program. To be effective, the Committee should:

- **Avoid Conflicts of Interest:** Direct involvement in collective bargaining and/or phase-out negotiations must be avoided. However, the Committee can serve in an advisory capacity on issues related to transition services. Equally as important, the chair should be neutral and not associated with a service provider or a business that could benefit by providing transitional services.
- **Develop Consensus:** By building a consensus based decision-making process the program will reflect the mutual needs of the company and the workers. Whereas any member can initiate action or discussion, the result should always be a mutual decision and/or position.
- **Appoint a Spokesperson:** To avoid confusion, a spokesperson should be appointed especially to deal with the media. The spokesperson's responsibility is to report only what is based on fact and what has been agreed to by consensus.
- **Observe Strict Confidentiality:** Because many sensitive issues will be discussed, discretion and confidentiality must be maintained.

The Neutral Chair's Roles and Responsibilities

Experience proves that neutral chairs help Committees function effectively and avoid potential conflicts of interest. The chair, a key element to the Committee's success, should be selected with care. Complete awareness and acceptance of the program's purpose is essential, and it is helpful if the chair is familiar with the financial resources and services available.

The neutral chair is someone who:

- Knows the local employers and labor market;
- Helps establish the independence of the Committee;
- Gives company and union officials confidence that fair representation will be maintained;
- Maintains a focus on the workers;
- Manages the meetings and keeps the group on-task;
- Provides independent thinking in the development of policies and operational plans; and
- Offers accountability to the federal and state government.

The neutral chair should *not* be someone who:

- Has any other financial or business relationship with the company or the workers during the life of the program.
- Represents or is associated with any service organization which will be involved in the program in any capacity.

However, there may be compelling reasons for the chair to be someone who, rather than being neutral, is associated with a service provider and/or the government. This situation may present additional hurdles and it is strongly recommended that the Committee carefully evaluate the pros and cons of a non-neutral chair.

General management of the Committee is critical. The chair helps the members to identify their areas of responsibility and their relationship with the overall program. The chair ensures that the group functions in a manner consistent with the Committee objectives, so that the end result is a successful program. Providing leadership and motivating the members to make a contribution are also important responsibilities. In addition, the chair should:

- Schedule meetings;
- Establish agendas;
- Assign tasks;
- Develop program schedules;
- Produce appropriate reports and ensure timely distribution;
- Ensure open communication with the members and other key individuals;
- Develop cohesiveness within the Committee; and
- Ensure that action-oriented minutes are recorded and widely distributed.

The Members' Roles and Responsibilities

The members play an important role in the effectiveness of the Committee. In addition to actively participating during the meetings and accepting and completing their assigned tasks, they should:

- **Make a Commitment to the Program:** The members will have to devote a great deal of time to activities such as regular meetings, making and receiving calls at home, and working long hours. Anyone unwilling or unable to make that commitment should not be asked nor agree to participate.
- **Build Worker Acceptance:** An important responsibility of the members is to help the workers accept the program. Because the workers may be skeptical of programs involving the government and/or the company that is laying them off, the Committee members can help them understand that the services and programs are designed to assist them in finding new jobs. The Committee must be prepared to deal with various degrees of anxiety, anger, depression and resentment. Openness, straightforwardness, and honesty will help dispel these feelings. The members should not be afraid to say, "I don't know, but let me find out for you."

- **Be an Advocate:** Despite all the efforts of the program to provide equal access to services and activities some workers may feel that they have not been treated fairly. The Committee members act as advocates for those workers and ensure that everyone has the same opportunities.
- **Identify and Deal with Rumors:** When rumors develop, it is the responsibility of all the members to either confirm the rumor or prevent it from getting out of control. This situation may occur several times and, unless the rumor ultimately involves confidential information, the facts should be made known to everyone.
- **Maintain Contact with the Workers:** It is important for the members to stay in touch with their co-workers after they leave the plant. Thus, former co-workers can be kept informed about jobs and training opportunities. Follow-up contact also provides time to address special problems people may be encountering in their new job situation. During the life of the program, the program's newsletter should be distributed to all the workers, even those who become reemployed.

In addition to these duties, the Committee can be responsible for the additional administrative activities. The level of involvement in these activities will be determined during the program development process and will be dependent upon community resources and the administrative capability of the lead organization.

As an administrative body, the Committee ensures that:

- Appropriate bidding procedures are followed in the selection of service providers;
- Contracts are properly developed and administered;
- All sub-committees are provided with specific objectives and time frames within which to complete their task;
- Appropriate program, contractual, and financial documentation is available;
- All interim status reports are produced and properly distributed;
- The lead organization is kept up to date on the Committee's decisions and actions, especially in areas that involve the need for and use of funds; and
- A comprehensive final report outlining all of the activities, outcomes, and observations is prepared when the program is completed.

The Committee members act as advocates for those workers and ensure that everyone has the same opportunities.

First Steps

Once the Committee has been formed and the members understand their roles and responsibilities, it is time to get started on the work involved in developing a program plan and identifying services.

Working together as a group may be a new experience for both the labor and management representatives. Their ability to learn how to work together as a team of equals will be critical to the success of their efforts.

There are two issues to address before developing the program design:

1. Team Training: Working together as a team requires that the members use various skills and that they understand the dynamics within the group. Although the members and chair may already possess many of the necessary skills, experience has proven that training helps ensure the effectiveness of this approach. Training may focus on the following areas:

- Brainstorming;
- Consensus based decision-making;
- Active listening skills;
- Team building; and
- Develop a "win-win" system for problem-solving.

The team training can be completed within four to eight hours and be part of the first several working meetings.

2. Rules of Procedure: The Committee should discuss and reach consensus on the rules and methods of operation.

Committee structure, although needed, should not be so formal that it prevents the group from functioning smoothly. Too many rules of procedure often become barriers to the decision-making process. It is important to develop a set of procedures that work for the people involved. Some suggestions for procedures are:

- Agree upon informal rules for discussion;
- Develop a decision-making process;
- Set realistic starting and ending times—and meet them;
- Follow descriptive, action-oriented agendas; at the end of each meeting, determine the agenda for the following meeting;
- Set time limits for each agenda item; and
- Maintain concise, yet comprehensive, minutes.

Planning and Designing the Program

An orientation about the available resources and services is a critical step in designing the program. A thorough survey of resources should be conducted as soon as possible. The chair, working with the state/Labor representative should schedule a series of meetings that include presentations by the various service providers that may be involved in transition services.

The program's purpose is to assist the laid-off workers become reemployed. During the life of the program, the Committee will be confronted with numerous problems, conflicting priorities, and the need to respond quickly to everyone's demands. A process is needed to address the situation in a responsive and organ-

ized manner that allows an opportunity to explore the options and make timely and effective decisions.

This process has proven to be an effective method to identify issues and activities:

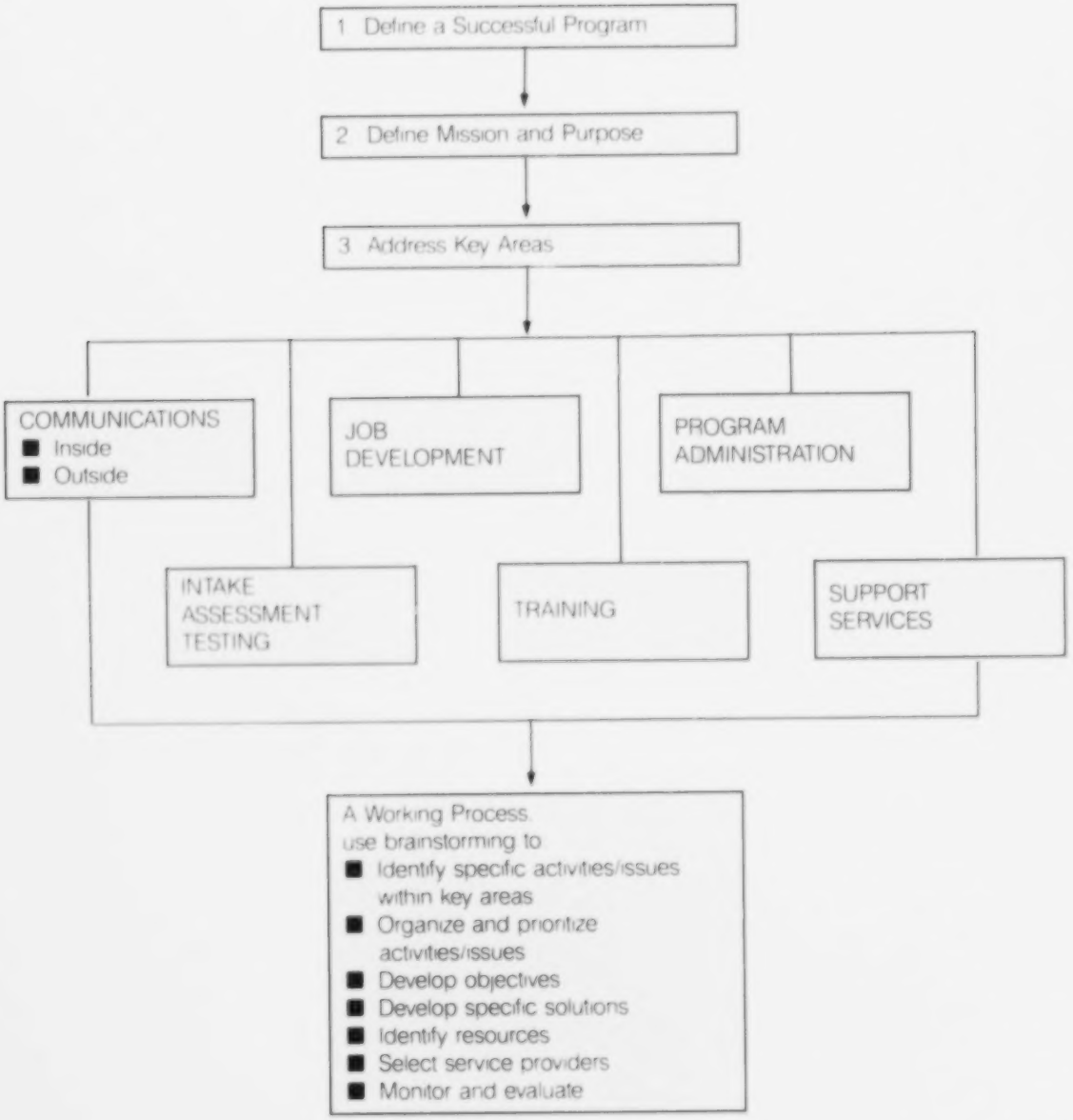
Define a Successful Program: Describe what outcomes and results would demonstrate success. That is your vision.

Define Mission and Purpose: What is the role of the members and chair in achieving this vision?

Address Key Areas: By brainstorming all of the real and perceived problems, the Committee will begin to set its agenda. Six key areas have been identified as applicable to most sites, although the discussion should not be limited to only these areas. Some of these areas are addressed in greater detail in the Key Activities section.

1. **Communications:** A comprehensive communication plan must be developed. It is critical to keep everyone informed about what the Committee is doing and plans to do.
2. **Intake, Assessment, Testing, Counseling:** These are essential services that must be included in the program design. It is important to determine who will provide these services and at what cost.
3. **Job Development Activities:** A comprehensive job development plan is needed to identify job openings, arrange for resume workshops, and coordinate job search workshops to help employees brush up on their job hunting and interviewing techniques. On-site interviews and job fairs are important components of a comprehensive job development plan. Job clubs should also be formed to help the workers with their ongoing job search efforts.
4. **Training:** Training services are likely to be available from a variety of sources. The role of the Committee is to make available appropriate training services, publicize these services, and encourage the employees to take advantage of these training opportunities.
5. **Program Administration:** Because the administration of the reemployment program requires a significant effort, the Committee must determine the extent of their involvement. Minimally, they should ensure that a professional administrative plan is developed and that everyone understands their role. Federal and state agencies require accurate accounts of program funds and reports on program outcomes.
6. **Human Services and Support Services:** Laid-off employees often experience a great deal of stress and anxiety about their future. The result may be an increase in alcohol/drug abuse and other family crises. Because these situations may require professional assistance, the program should include a plan to respond to the need for psycho-social services.

Planning and Designing the Program



By setting forth the problems and defining the desired outcomes, the Committee establishes a basis for evaluating the performance of the service providers.

A Working Process

Within each of the Key Areas, the activities/issues need to be identified and prioritized. Brainstorming techniques are used during this working process. Once the issues have been identified the following process is an effective way to identify specific tasks:

- **Develop Objectives:** For each activity, develop one or more objective(s). Ask what does the Committee want to accomplish? When should it be done?
- **Develop Specific Solutions:** The Committee will not be in a position to implement all the solutions. However, the Committee must identify those problems it can solve, such as an internal communications problem with a survey or a newsletter, as opposed to those that require outside assistance such as job training and Dislocated Worker JTPA Title III enrollment. These decisions will help design the program and identify the appropriate resources.
- **Identify Resources:** Each city, county or region has a number of organizations, both public and private, that provide services, funds, and information as well as other types of assistance that will enable the Committee to achieve the objectives.
- **Select Service Providers:** Those organizations offering appropriate and useful services can be invited to submit proposals to provide one or more of the services. The Committee can then decide what services it wants, in what manner, by whom, when, and where.
- **Monitor and Evaluate:** By setting forth the problems and defining the desired outcomes, the Committee establishes a basis for evaluating the performance of the service providers. As conditions change, the focus and intensity of services can be adjusted.

Why Use This Process?

This process, although not foolproof, does have the following advantages:

- Provides an opportunity for all members to contribute;
- Focuses on the problems and outcomes rather than on the personalities of the participants and their relative positions of power and/or previous situations (hourly vs. salaried, union vs. management, etc.);
- Generates more ideas, more solutions, a deeper understanding of the situation, member commitment, and better results;
- Creates a coordinated, comprehensive approach;
- Uses resources, talent, and time more effectively;
- Provides a constant check on progress and accomplishments; and
- Provides the tools and information that the Committee needs to manage the program.

Key Activities for the Committee

The following list outlines several key activities for the Committee's involvement:

- **Identify the Lead Organization:** The potential lead organization varies throughout the country. In general, the Private Industry Council, local/state Labor organization, State Employment Service, JTPA Administration, or an economic development agency will assume this role. The lead organization will have the responsibility to coordinate the transition process and act as a liaison between the government agencies and the funding sources.
- **Collect Information on Employee Needs:** A questionnaire should be developed to identify the needs of the individual employees. The responses

are used to formulate and design the reemployment program and determine the number of workers who will participate. The questionnaire should ask about the employees' current skills, retirement plans, and what types of jobs/skills they are interested in obtaining through training.

- **Develop a Communication Plan:** Because communication with the affected workers is crucial to their reemployment efforts, the Committee should develop a newsletter to serve as the foundation of a communication plan. Although the contents of the newsletter will be tailored to the needs of the workers, it will usually contain information on training, meetings, workshops, questions and concerns of the workers, and general information regarding the efforts of the Committee. It is equally important that the newsletter be distributed on a regular schedule and distribution should continue to all of the workers regardless of when they have become reemployed. A central location should also be identified for distribution of announcements and additional information. The plan must include strategies for both internal and external communication.

- **Identify Financial Resources:** As noted earlier, the primary source of funds is the JTPA Title III program. Whereas states receive these funds on a year-to-year basis from the federal government, if those funds have already been spent or obligated elsewhere, it will be necessary to apply for supplemental funding. This process usually takes 45 to 60 days. The available funding will affect the range of services offered. It is therefore critical to begin this process, with the assistance of the lead organization immediately after the formation of the Committee.

- **Identify Transferable Skills:** People who have been employed most of their adult lives may have a wide variety of skills that will be directly transferable to other occupations. Company personnel working in cooperation with employment and training professionals help the Committee identify the core set of transferable skills of the workforce. Program staff work individually with the employees to help them recognize their personal transferable skills and the applicable occupations.

- **Establish a Database:** It is extremely important to establish an accurate database if it is not available from the lead organization. This database will be used throughout the program to keep track of the status of the workers as they move into, through and out of the reemployment activities. It is also used to keep track of those who are not accessing services, which will help the Committee determine if there is resistance to participating, or perhaps some type of service is needed which is not being offered. If the database is not set up in the early stages of the program, reconstructing events at a future date may be difficult, if not impossible. The Committee should use resources available from the lead organization, enlist help from the company, (which probably has some type of database already established for payroll and similar functions), or contract with a local business service.

- **Identify Community Leaders:** Establish a good working relationship with local government and community leaders to provide information on resources available within the community. They can also help design the reemployment program and eliminate duplication.

- **Identify Activities and Service Providers:** A full analysis of the worker needs, and the funds and services available must be completed prior to identifying the activities and designing the program. Competing organizations often deliver the same services. It is important to identify the service providers so the workers do not receive

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conflicting information on what is available to them.

- **Plan the Job Development Strategy:** A comprehensive job development strategy includes the following: job fairs, on-site interviews, local employment agency services, job clubs, and exploration of the hidden job market.

  The Committee should make a concentrated effort to explore the hidden job market. This activity is very important as many of the jobs available in the hidden job market are higher paying than those available through traditional employment agencies. A list of potential employers and contacts should be developed with reference to the company's associates, local business directories, and Chamber of Commerce listings. When the list of potential employers is completed, a letter is sent to a select group who will most likely use the skills of the affected workers. The letter should be directed to the General Manager or Plant Manager of the companies being solicited. The number of letters sent should be limited to the number of employers the Committee can reasonably expect to contact personally over the following four to six weeks.

  The letter advises the potential employer of the impending layoff, gives a general profile of the workforce, and indicates that a member of the Committee will contact them to arrange a meeting to discuss employment prospects. This is a useful approach, since most of the available jobs are never advertised but instead are filled by personal referral or by people making direct application. It is then the responsibility of the worker to apply and interview for the available positions. This process should be repeated when the initial leads are exhausted.

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  Where skill levels are low, a concentrated effort to encourage the workers to participate in training and skill upgrading programs should be made. Local and state agencies, educational institutions and related groups can also be very useful in assisting workers to pursue new jobs and careers.

In smaller communities with a limited industrial base, it may be important to explore job creation programs that might accelerate expansion of an existing business or help to establish a new business. In this event, the involvement of community leaders should be sought as soon as it is apparent that this is a strategy the Committee may wish to pursue. In implementing a strategy of this nature, the Committee should take considerable caution in order not to raise the worker's expectations to a level that cannot be met.

- **Establish a Transition Center:** If possible, a Transition Center for the workers should be set up on company grounds. The Center should include employment advertisements from newspapers, reading material from local schools and employment information available through the lead organization as well as job leads developed by the Committee. The Center should be equipped with all the materials necessary to assist the workers in conducting their job search. Sophisticated Centers may include video equipment which the workers can use to practice job interviews. It is important to have staff available (normally through the state agencies) who can answer the technical questions on unemployment insurance benefits and government programs. Committee members should spend time at the Center. Workers seeing familiar faces, decreases some of the anxiety associated with job change and enhances the feeling that "the Committee is working for me."

The Committee should remain active until the majority of workers have been reemployed. This period can be from six to twelve months after the plant has closed. A final report should be developed to document the Committee activities, the program, and the outcomes.

Conclusion

This guide, though not an exhaustive technical manual, should provide a practical step-by-step approach toward solutions to the stressful situation of job loss. The approach outlined here has been tested at several different sites, and the cumulative lessons learned provide the basis for the material in this guide.

The Committee's primary responsibility is to help workers become reemployed, however, the company as well as the community will benefit from this approach.

In conclusion, the management/labor approach to Workforce Reduction Committees has proven effective in dealing with plant closings. Combined with advanced notice, a well-planned program and a proactive Committee can prove invaluable in assisting more workers move into new jobs and new futures.

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